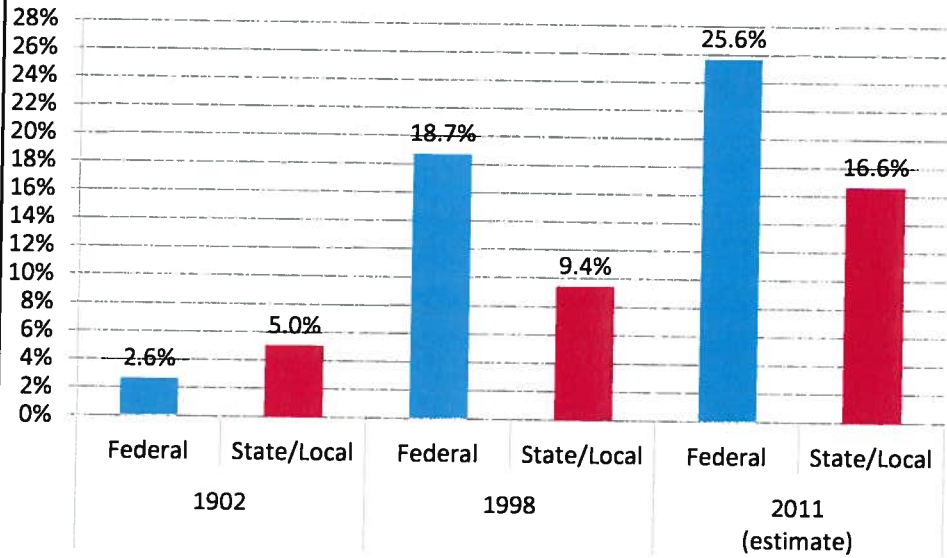
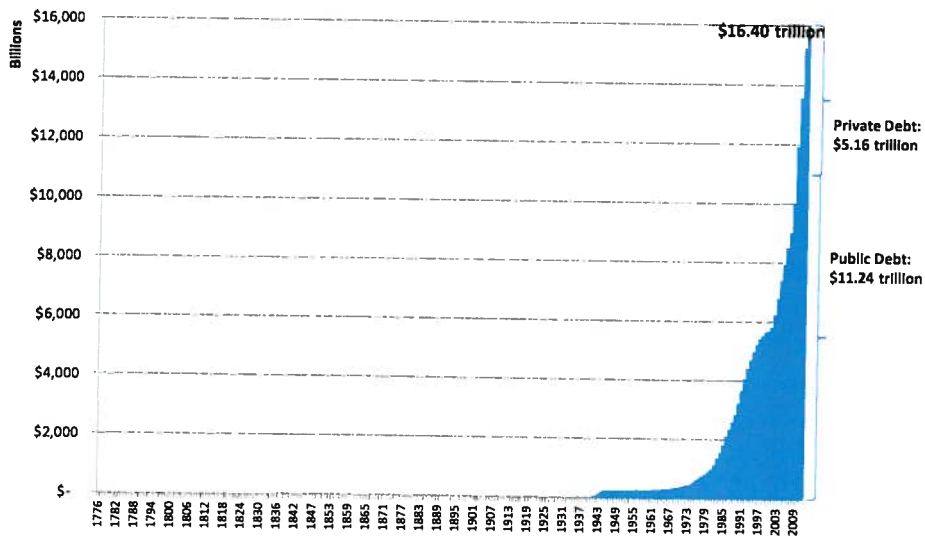


**Exhibit 3: Government Expenditures as a Percentage of GDP**

Sources: Computed with data from the Joint Economic Committee Report (1999), U.S. Statistical Abstract and the Bureau of Economic Analysis (2012) and Heritage Foundation (2012)

**Exhibit 8: History of the U.S. Nominal National Debt Outstanding**

Source: U.S. Department of the Treasury (2012)

### Exhibit 9: Financing The U.S. National Debt: 2011 Data

#### Debt

##### Debt Held by the Public As a Percentage of GDP

Actual 2010	67.73%
Projected for 2015	73.77%
Projected for 2020	61.42%

##### Interest-Bearing Debt Held By Public Investors (As of December 2011)

Falling Due Within 1 Year	32.19%
Falling Due Within 5 Years	71.82%
Falling Due Within 10 Years	90.16%

##### Holders of the Public Debt (At End of 2011 Fiscal Year)

Domestic Investors	54.0%
Foreign Investors	46.0%

#### Interest

##### Average Interest Rates (As of July 31, 2011)

Marketable	2.13%
Non-marketable	3.64%
Total	2.62%

##### Gross Interest Payments on Treasury Debt Securities (in billions)

Fiscal Year 2012 To Date	323
Actual 2011	454

##### Projected Net Interest Outlays (in billions)

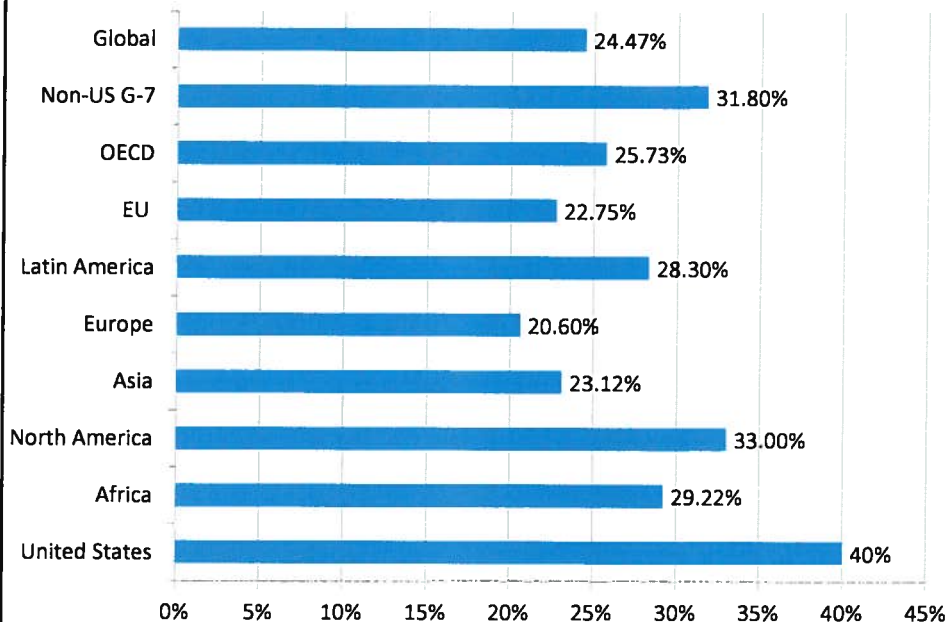
Actual 2011	227
From 2013-2017	1,503
From 2013-2022	4,247

##### Net Interest as a Percent of GDP

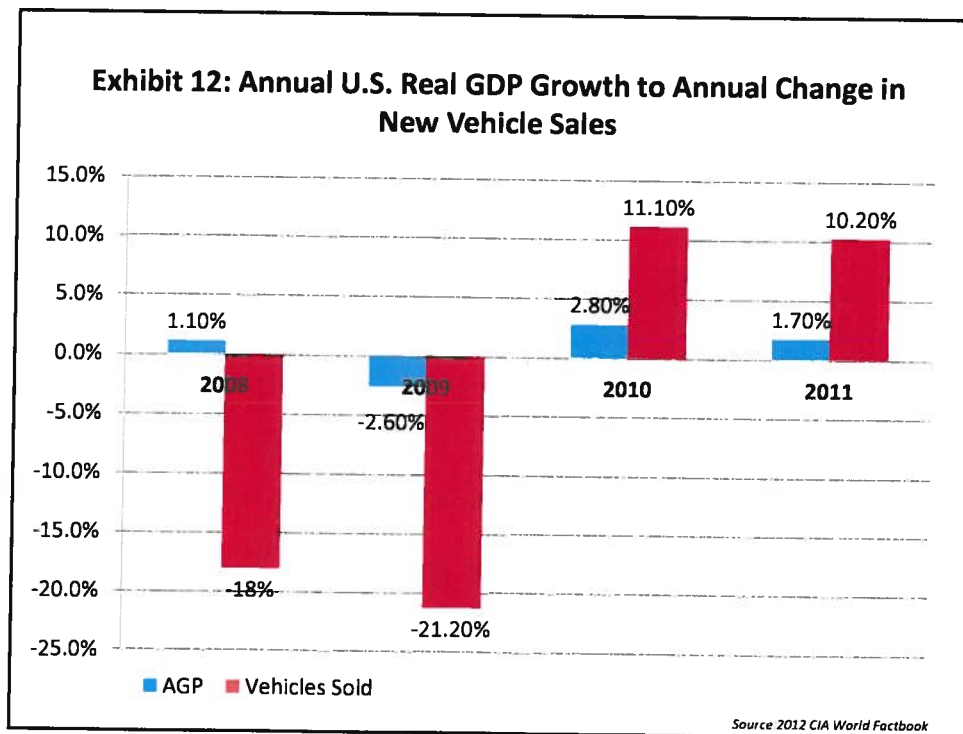
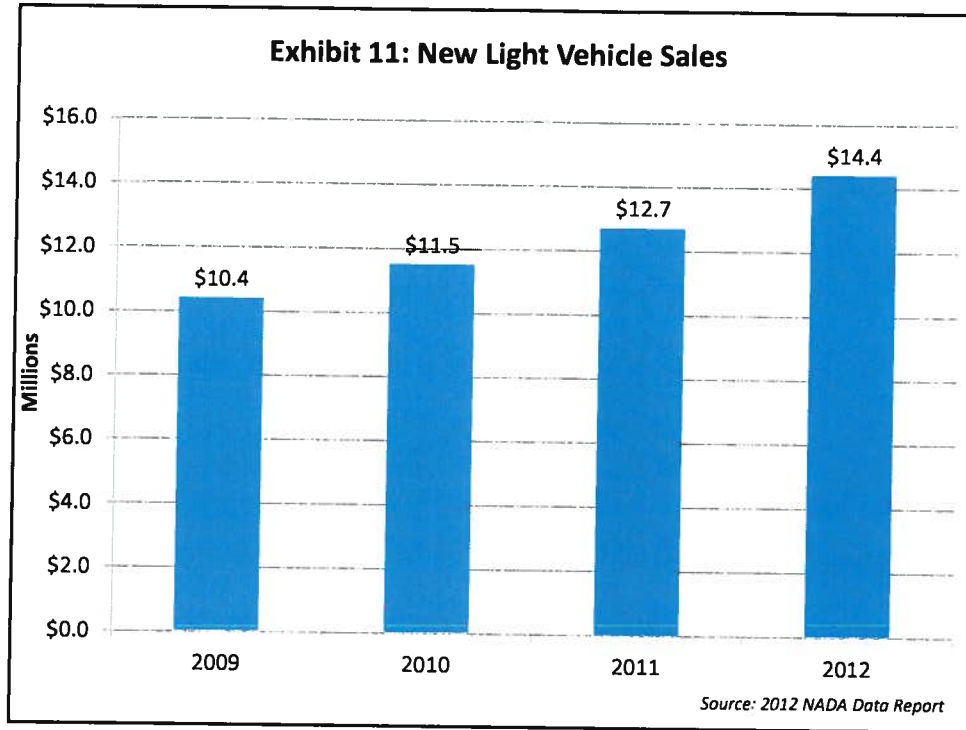
Actual in 2011	1.50%
Projected for 2015	1.60%
Projected for 2020	2.5%

Sources: Compiled from Congressional Budget Office and U.S. Department of the Treasury (2012)

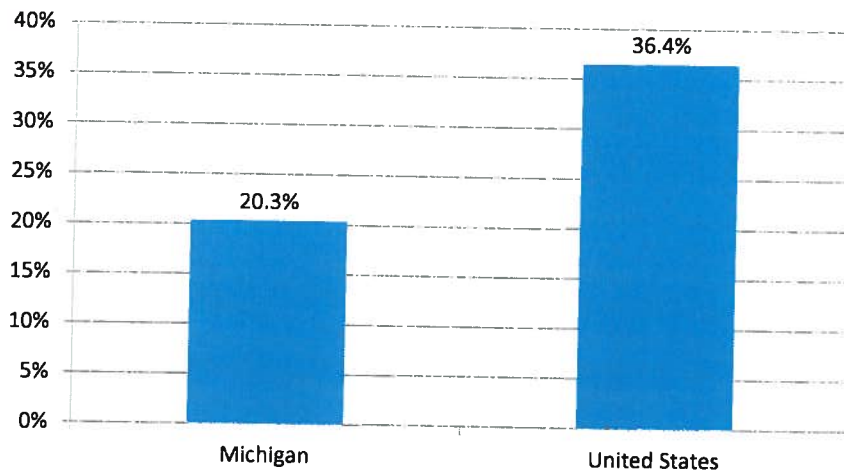
### Exhibit 10: 2012 Average Corporate Tax Rates



Source: KPMG (2012)

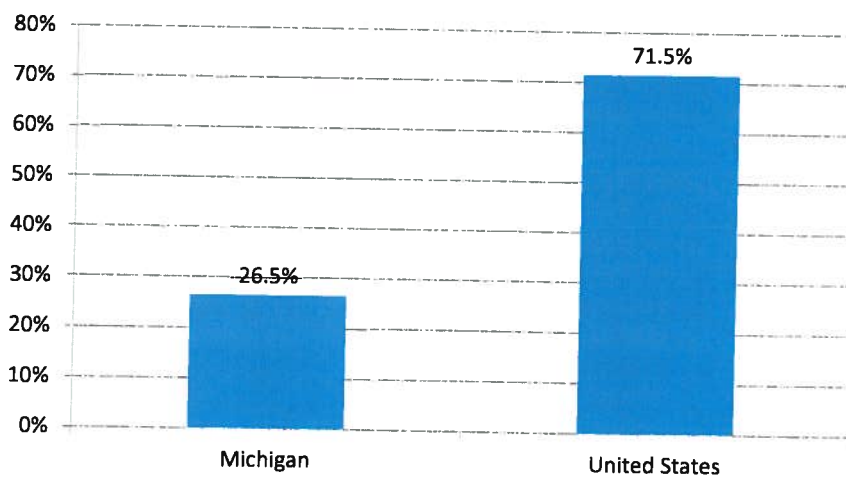


**Exhibit 29: Average Personal Income Per Capita Growth (2000-2010)**

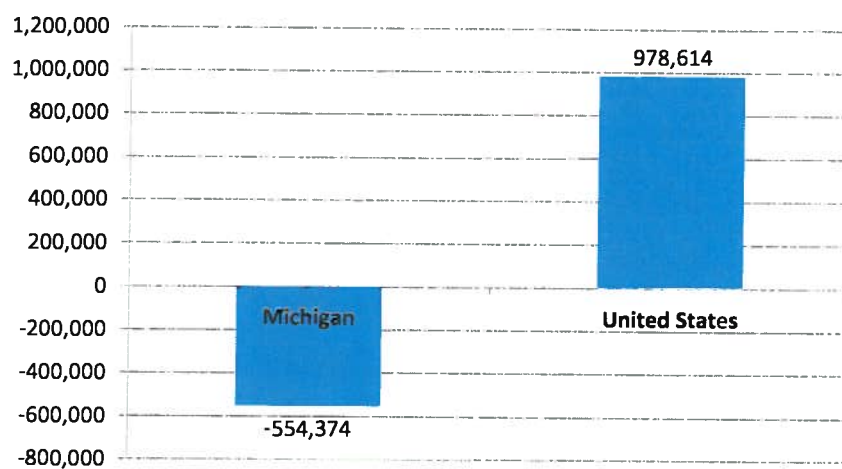


Source: Computed with data from Bureau of Economic Analysis (2000 - 2010)

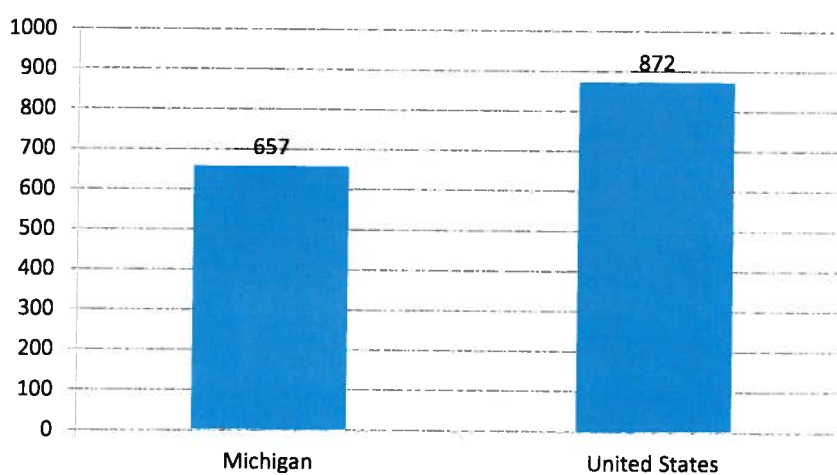
**Exhibit 17: Average Gross State Product Growth (1998-2011)**



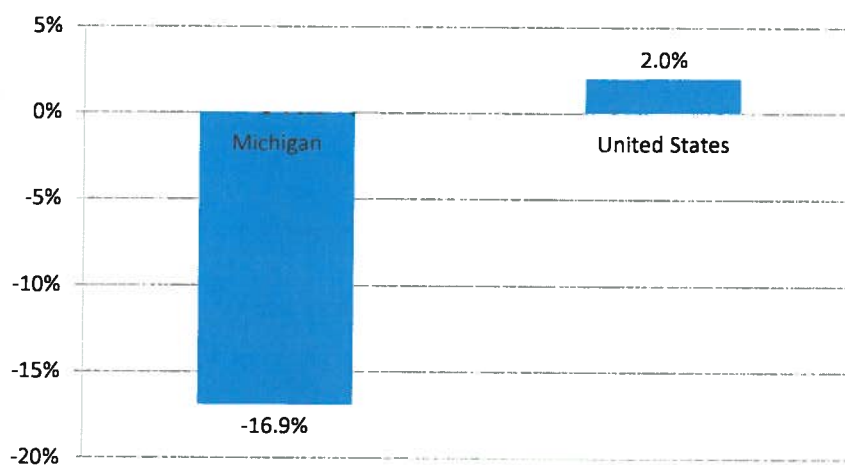
Source: Computed with data from Bureau of Economic Analysis (1998 - 2010)

**Exhibit 13: U.S. Population Net Migration by State (2001-2010)**

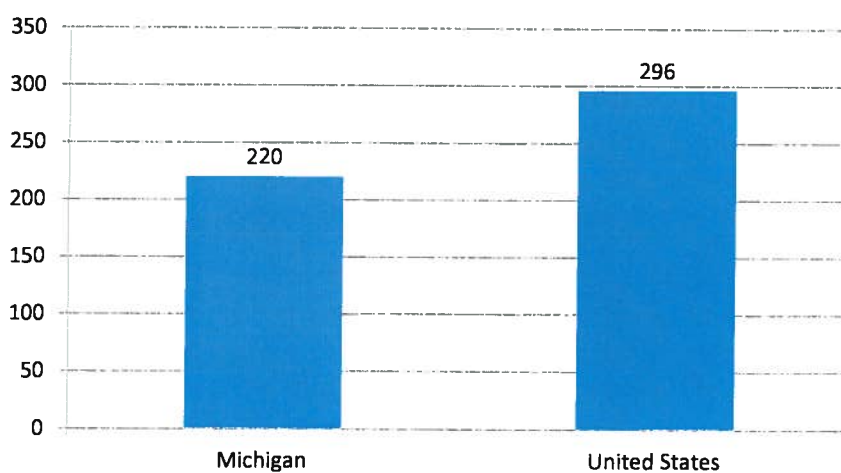
Source: Computed with data from Bureau of Labor Statistics (2000 - 2010)

**Exhibit 53: Total Government Employees per 10,000 People (2010)**

Source: Computed with data from Bureau of Economic Analysis (2010)

**Exhibit 15: U.S. Employment Growth by State (2001-2010)**

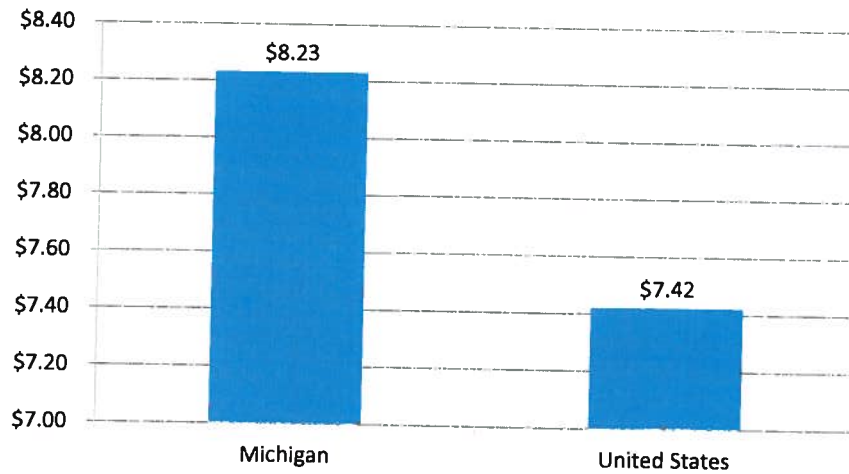
Source: Computed with data from Bureau of Labor Statistics (2000 – 2010)

**Exhibit 79: The Kauffman Foundation's Number of Business Start Ups Per State Per Month (2011)**

Source: Computed with data from The Kauffman Foundation (2011)

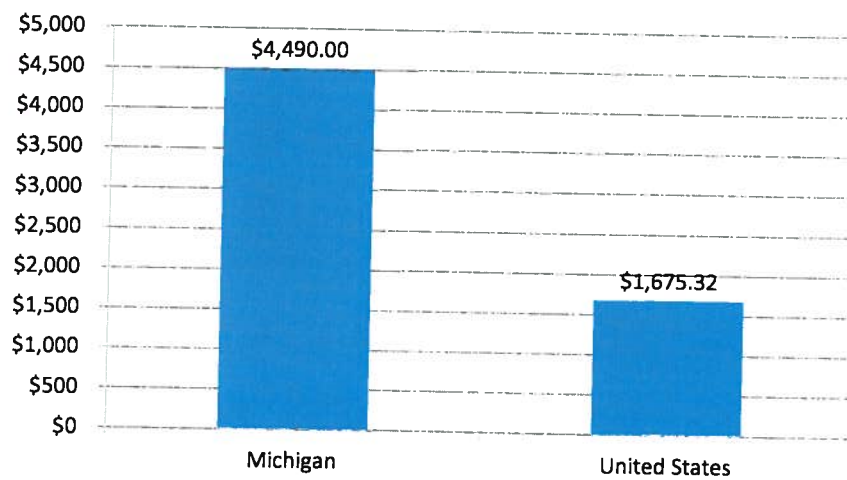


**Exhibit 71: Average Industrial Natural Gas Prices (2010)**



*Source: Computed with data from U.S. Energy Information Administration (2010)*

**Exhibit 59: Median Price of Annual Car Insurance Policy (2012)**



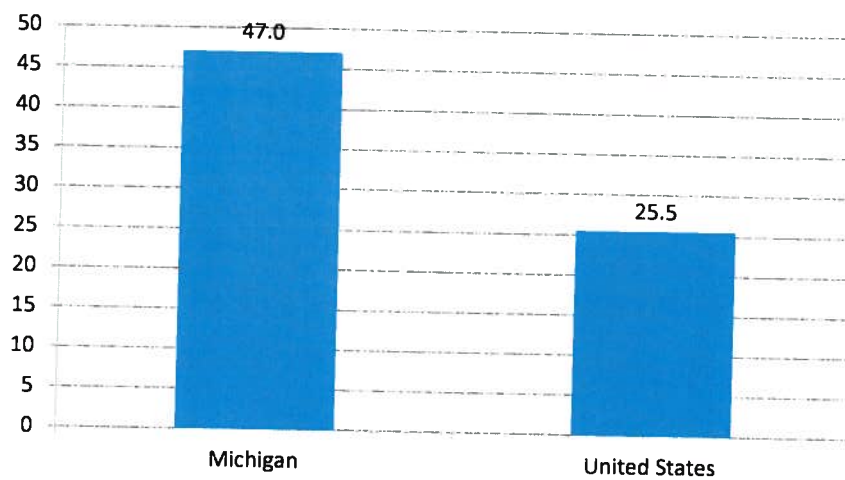
*Source: Computed with data from Bureau of Economic Analysis (2012)*



### Exhibit 98: Northwood's State Competitiveness Index

Alabama	30	Montana	18
Alaska	42	Nebraska	2
Arizona	14	Nevada	17
Arkansas	9	New Hampshire	27
California	49	New Jersey	43
Colorado	19	New Mexico	16
Connecticut	41	New York	39
Delaware	29	North Carolina	24
Florida	22	North Dakota	1
Georgia	13	Ohio	45
Hawaii	31	Oklahoma	7
Idaho	12	Oregon	44
Illinois	46	Pennsylvania	25
Indiana	32	Rhode Island	50
Iowa	15	South Carolina	34
Kansas	10	South Dakota	4
Kentucky	38	Tennessee	21
Louisiana	20	Texas	3
Maine	36	Utah	4
Maryland	11	Vermont	33
Massachusetts	48	Virginia	6
Michigan	47	Washington	35
Minnesota	26	West Virginia	23
Mississippi	37	Wisconsin	40
Missouri	28	Wyoming	8

### Exhibit 99: Northwood's State Competitiveness Index



# Cobb-Douglas Production Function Results

## Reasons for Optimism in Michigan

- The Study
- Examples from Canada and New Zealand
- Michigan's economic performance the last two years' shows improvement

## **12 Key Factors that Influence Competitiveness**

1. Property Rights and Legal Environment
2. Infrastructure
3. Macroeconomic Conditions
4. Health and Quality of K-12 Education

Source: World Economic Forum: Global Competitiveness Report (2012-2013)

## **12 Key Factors that Influence Competitiveness (Continued)**

5. Quality of Higher Education, Continuing Education, and Training
6. Production of Goods and Services and Market Efficiency
7. Labor Market Efficiency
8. Financial Market Development and Growth

Source: World Economic Forum: Global Competitiveness Report (2012-2013)

## **12 Key Factors that Influence Competitiveness (Continued)**

9. Technological Development and Use

10. Economic Market Size

11. Complexity and Sophistication of Economy

12. Invention, Innovation, and Entrepreneurship

Source: World Economic Forum Global Competitiveness Report (2012-2013)